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JPRS L/10526

18 May 1982

Worldwide Report

NUCLEAR DEVELOPMENT AND PROLIFERATION
(FOUO 5/82)



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WORLDWIDE REPORT NUCLEAR DEVELOPMENT AND PROLIFERATION

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CONTENTS

WORLWIDE AFFAIRS

Briefs UK Supplies Uranium to Brazil	
NEAR EAST AND NORTH AFRICA	
AIGERIA	
Nuclear Energy Utilization Planned (MARCHES TROPICAUX ET MEDITERRANEENS, 5 Mar 82)	2
SUB-SAHARAN AFRICA	
NIGER	
Briefs Kuwaiti Interest in Uranium Company	ì
SOUTH AFRICA	
West Supplies Enriched Uranium to South Africa (Pascal Boniface: JEUNE AFRIQUE, 13 Jan 82)	Ģ

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WORLDWIDE AFFAIRS

BRIEFS

UK SUPPLIES URANIUM TO BRAZIL—Britain is supplying enriched uranium to Brazil after the United States banned shipments because of Brazil's refusal to meet American non-proliferation requirements. A British nuclear fuel spokesman confimed last week that 'uranium hexafluoride has been processed at the Capenhurst enrichment plant for Brazil.' Washington had made it a condition that 'international atomic energy safeguards be maintained on all peaceful nuclear activities in Brazil.' Reports that Argentina may be building a nuclear bomb have triggered speculation that Brazil might be tempted to pursue a similar course. The enriched uranium from Britain is to be supplied by the joint UK-West German-Dutch Company, URENCO, in which British nuclear fuels holds a one-third stake. It is only lightly enriched (about 3 percent) and is not suitable for making bombs. [Excerpt] [Report by Martin Bailey: "UK Sells Uranium to Brazil"] [PMO41607 London THE OBSERVER in English 2 May 82 p 6] [COPYRIGHT: The Observer Ltd 1982]

cso: 5100/2158

ALGERIA

NUCLEAR ENERGY UTILIZATION PLANNED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1895, 5 Mar 82 p 673

[Article: "Algeria Preparing for Use of Nuclear Energy"]

[Text] Algeria is determined to endow itself with a "national scientific and technological base" in the nuclear field with a view of supplementing its oil and gas resources with nuclear energy, Abdelwahab Bennini, the director of the Algerian Center for Nuclear Science and Technology, announced in substance. In an interview published on 22 February by the daily newspaper EL MOUDJAHID, Bennini emphasized that after "reflection on the problems of nuclear energy, the conclusion was reached that it is necessary to build a national scientific and technological base capable of being the point of departure for a national nuclear program, whatever the country's energy options in the matter."

Evaluating the Algerian Center for Nuclear Science and Technology, created in 1976, Bennini stated that it consists of nine divisions whose job is research, "from minerals and nuclear raw materials to management of radio-active wastes." The different laboratories of the center have often been set up by Algerian researchers and engineers, some 180, he indicated. Examples of the results obtained up to now are "the construction of prototypes, the production of purified nuclear products, the use of radioisotopes or radiation, and high-level scientific publications."

According to Bennini, the center is "at the stage where some divisions are already in a position to build their equipment, and some are capable of contributing to the construction of the most sophisticated equipment."

In addition to its functions in the field of research and the training of engineers and senior technicians, Bennini said, the center is working in collaboration with the ministries of health (radiological monitoring of personnel and the providing of radioisotopes), agriculture (the use of radiation to irradiate food), defense, energy, hydraulics, and so forth. The Algerian Government's recent decision to create a Commission for New Energies, he added, "illustrates the administration's desire to take responsibility for problems of energy supplementation and scientific and technological development."

It should be noted that this is not the first time that the necessity of providing for the implementation of a nuclear program has been perceived in Algeria. Just 1 year ago, the same daily newspaper EL MOUDJAHID indicated

2

that Algeria intended to prepare itself technologically for the nuclear energy era in order to overcome all constraints before launching a nuclear program which will at best contribute to meeting 10 percent of its electrical energy consumption in some 20 years.

Of these constraints, "multifarious foreign dependence constitutes a major preoccupation" for Algeria, EL MOUDJAHID emphasized at that time, adding that, in order to provide against it, or at least to "limit it to acceptable levels," Algeria was endeavoring to begin "action far in advance at the level of training and research as well as at the level of the other sectors of the national economy, particularly industry, with a view to arriving at optimal national integration." The newspaper indicated in another connection that since the lead time is particularly long for nuclear energy, the current 1980-84 Five-Year Plan would be devoted principally to studies for bringing these plans to fruition.

Algeria, it will be recalled, has uranium reserves at Hoggar, in the far south, estimated at more than 50,000 tons of metal. Moreover, in this regard, it may also be recalled that 5 years ago Algeria, being interested in nuclear energy and having decided to make a start in this field, entered into a series of contracts with several groups of international enterprises (American, Canadian, Belgian, English, and French). In early 1977 the French consortium announced in a press release that it had been entrusted with the responsibility of carrying out the first phase of the studies necessary to exploit the uranium deposits at Hoggar. The consortium consisted of the Sogerem and STEC companies of the Pechiney Ugine Kuhlmann Group, the Minatome Company of the PUK Group, CFP, the Inter G engineering groups and the Sofremine engineering company. Its representative was STEC, otherwise affiliated with Inter G through the Promatom economic interest group created by these two companies in 1974.

Since then, the possibilities for cooperation in nuclear energy have usually figured in the negotiations which the Algerians have been pursuing with their different partners. Recently there was talk of it in the conversation held with the USSR (MTM 14 August 1981, p 2099, and 4 September 1981, p 2268). Last January, Michel Rocard, the French minister of state for economic planning and development, had talks in Algiers with his counterpart, Abdelhamid Brahimi (MTM 29 January 1982, p 250).

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NIGER

BRIEFS

KUWAITI INTEREST IN URANIUM COMPANY—A Kuwaiti company is acquiring a one third interest in the capital of a large Nigerien uranium ore mining company in process of formation, the Mining Company of Tassa N'Taghalgue [SMTT]. The Kuwait Foreign Trading Contracting and Investment Company [SALK] has thus joined the SMTT's two initial partners, the General Nuclear Materials Company [COGEMA] and the National Office of Mineral Resources [ONAREM]. The capital, divided up by thirds among the three partners, has been increased on this occasion from 7 billion CFA francs to 10.5 billion CFA francs. Niger, it is recalled, exported some 4,860 tons of uranium in 1981 produced by the first two Nigerien mining companies, the Air Region Mining Company [SOMAIR] and the Akouta Mining Company [COMINAK]. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1898, 26 Mar 82 p 851]

CSO: 5100/5644

SOUTH AFRICA

WEST SUPPLIES ENRICHED URANIUM TO SOUTH AFRICA

Paris JEUNE AFRIQUE in French 13 Jan 82 p 36

[Article by Pascal Boniface: "Who Supplied the Uranium? Pretoria has Finally Found the Western Participation Needed To Continue a Nuclear Program That Worries Africa"]

[Text] The delivery to South Africa of enriched uranium, which will permit start-up of the Koeberg nuclear facility, has raised a small journalistic and diplomatic storm the past few weeks.

The whole affair dates back to a 1974 agreement between Pretoria and Washington. The United States was supposed to enrich native South African uranium, which would then be shipped to France, where Framatome [Franco-American Atomic Construction Company], which supplied the two Koeberg reactors, would convert it into fuel elements.

This plan was jeopardized in 1978 when Congress passed the Nuclear Nonproliferation Act (NNPA). Under the provisions of this law, which was intended to regulate American nuclear exports, the United States could only deliver fissionable matter (uranium and others) or nuclear installations to those countries which agreed to submit their entire nuclear programs (and not just imported equipment) to the terms of an International Atomic Energy Agency (AIEA) guarantee agreement.

But if South Africa is more than willing to submit even the Koeberg facility and the uranium intended for it to the AIRA's inspections, it would not at all like international inspectors sticking their noses into the Valindaba pilot uranium enrichment plant, where gossip has it there is more interests in atomic bombs than in nuclear energy.

Unfortunately, the Valindaba plant does not have sufficient production capacity to assure the supply needed for a facility, and the commercial enrichment plant being constructed next to it will not be operational before 1985-1986.

To suspend a project costing an estimated 14 billion French francs for several years was unacceptable. Then, after his election in November 1980, President Ronald Reagan declared that the South African regime was an essential ally of the United States. At the same time, he expressed his desire to make the job of American nuclear exporters easier.

The South Africans quickly turned up in the United States, and the Americans took the plane to Pretoria. Nothing happened. No matter how they looked at it, the uranium delivery would have been a flagrant violation of the NNPA.

They were engaged in these sad reflections when they learned that the miracle had occurred. The apartheid regime had found some enriched uranium, which it had immediately sent to Framatome. At once, the guessing game began. The \$64,000 question: Who supplied the enriched uranium to ESCOM [Electricity Supply Commission], the South African electricity company? "It was China!" trumpted the WASHINGTON POST. Not at all, replied the Chinese, with their hands over their hearts. They stated that, even if they were to someday export uranium, they would never ever do so to aid either South Africa or Israel. Called on for help, the American State Department itself backed up Peking.

The rumors then switched continents and wound up in France. What if Franatome itself had supplied the uranium, thus exceeding the terms of its contract? The Anglo-Saxon press began to spotlight the nuclear ties binding France to South Africa. What a beautiful picture—socialist France giving nuclear resources to the racist South African regime! This picture is nevertheless closer to being a doctored photograph than a real-life snapshot.

In truth, it was Kernkraftwerk Kaiseraugst, a consortium of Swiss and German companies, that furnished the enriched uranium to ESCOM for \$60 million (16.5 billion CFA francs). This consortium, which tried in vain for several years to start the Swiss Kaiseraugst facility, possesses surplus enriched uranium acquired from the enrichment company Eurodif [European Diffusion Agency]. Of course, the Swiss denied it all, even claiming that they sold their surplus to another company. In reality, said company served as a screen between ESCOM and Kernkraftwerk Kaiseraugst.

In any case, the uranium in question is only enriched to 3 percent, which is sufficient to supply a nuclear facility but clearly inconsistent with military applications, since in order to make a bomb, one needs uranium enriched to 93 percent. In addition, the uranium will be placed under AIEA controls. Certainly, while the Valindaba pilot plant is too small to run the Koeberg facility, it could still supply highly enriched uranium for a bomb. That isn't the problem for South Africa, which has a civilian program separate from its military program, and which, above all esle, already has the bomb.

So what conslusions can be drawn from this affair? First, South Africa has finally found the Western participation needed to continue a nuclear program that worries Africa. Furthermore, the premature accusations against France were above all intended to create discord between Paris and the African countries just when good prospects are appearing for improved relations.

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